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## **SEN. ALAN LOWENTHAL, LOCAL LEADERS URGE GOVERNOR SCHWARZENEGGER TO SIGN STATE CARGO CONTAINER FEE BILL**

**LOS ANGELES – September 26, 2008** – Southern California port, air quality and transportation leaders and local officials joined Senator Alan Lowenthal (D-Long Beach) to urge Governor Arnold Schwarzenegger to sign California Senate Bill 974 (SB 974) into law. SB 974, which was introduced by Senator Lowenthal, would establish a dedicated \$30 container fee for the Port of Los Angeles, Port of Long Beach and Port of Oakland and generate an estimated \$350 million per year (based upon loaded container use) for much-needed air quality and goods movement infrastructure improvements in California. The bulk of the funds would be generated and spent in Southern California.

Half of the Southern California funds would go towards air quality improvements guided by the South Coast Air Quality Management District, and the remaining funds would be divided among Los Angeles, Orange, Riverside and San Bernardino Counties for up to 130 grade separations, as well as a pilot project to study the use of zero emission technology to transport containers from the Ports of Los Angeles and Long Beach. In addition, revenues can be used to construct rail capacity improvements to encourage the diversion of cargo container traffic from trucks and onto trains in order to relieve freeway congestion.

“The goods movement sector of transportation is growing at a tremendous pace, and the ability of the San Pedro Bay Ports to finance essential upgrades to freight infrastructure is vital to the health of our regional economy,” said Senator Alan Lowenthal. “This bill allows Southern California ports to continue to meet burgeoning trade demands, and we look forward to working with a growing list of supporters for its enactment next year.”

“SB 974 facilitates a systemic, statewide approach to goods movement and improves the environment at the same time,” said City of Long Beach Mayor Bob Foster.

The Ports of Los Angeles and Long Beach are forecast to nearly triple in container volume to more than 42.5 million twenty-foot equivalent units (TEU) by 2030. To meet this dramatic growth and continue to provide critical service, SCAG estimates approximately \$50 billion in federal, state, local and private funds need to be invested in the goods movement system in Southern California.

“We ask that Governor Schwarzenegger sign SB 974 into law today,” said Arthur T. Leahy, Chief Executive Officer of the Orange County Transportation Authority. “This bill will place the cost of trade directly on those who benefit from it and enhance our ongoing efforts to minimize the impact of operations on the environment. It will be a victory for congestion relief, the environment and the public health and safety of our communities.”

“SCAG has been in the trenches on this bill,” said Harry Baldwin, Mayor of the City of San Gabriel, SCAG’s Vice President and a member of the Board of Directors of the Alameda Corridor-East Construction Authority in the San Gabriel Valley. “This is an equitable solution to share the cost of upgrading the landside capacity of our ports to accommodate freight growth, and we believe SB 974 will strengthen Southern California’s role as a regional and national engine to the economy.”

“We cannot afford to ignore the air quality health crisis; every year, air pollution from ports and freight transportation causes 3,700 premature deaths in California,” said Martin Schlageter, Campaign Director of the Coalition for Clean Air.

“Experts have calculated that the cost of a DVD player would increase by no more than a couple of pennies or a pair of shoes by less than half a cent,” said El Monte Mayor Ernie Gutierrez, a member of the Alameda Corridor-East Construction Authority Board of Directors. “The container fee is a small price to pay to offset trade-induced traffic congestion and air pollution.”

“I hope the Governor is listening to what we are saying today,” said Gary Ovitt, President of San Bernardino Associated Governments. “SB 974 is an important step forward to promote the efficiency of goods movement through our regions and to improve the overall environmental concerns resulting from goods movement that negatively impacts our communities.”

“More than 40% of all U.S. waterborne container trade passes through the Ports of Los Angeles and Long Beach,” said City of Riverside Mayor Ron Loveridge. “Most of it is transported through the Inland Empire, and its residents bear a disproportionate health and economic burden to move this massive amount of goods. Passage of SB 974 is critical to share

these goods movement-related costs among all who benefit and will save lives in Southern California in the process.”

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**About SCAG**

SCAG is the nation’s largest metropolitan planning organization, representing six counties, 188 cities and more than 18 million residents. SCAG undertakes a variety of planning and policy initiatives to plan for a livable and sustainable Southern California now and in the future. For more information about SCAG’s regional efforts, please visit [www.scag.ca.gov](http://www.scag.ca.gov).